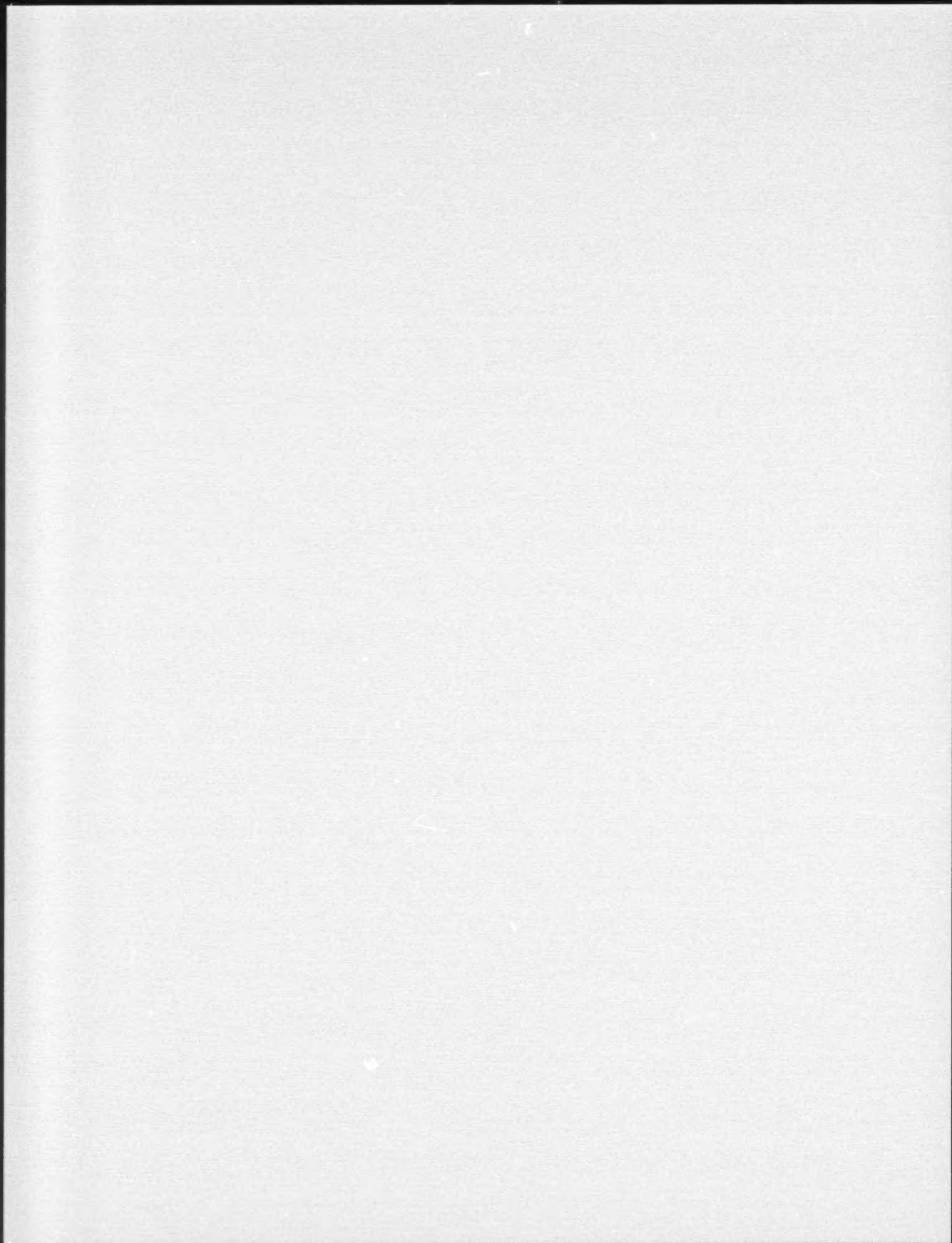


**DEPARTMENT OF ABORIGINAL
AFFAIRS AND INTERGOVERNMENTAL
RELATIONS**



1. DEPARTMENT OVERVIEW

MISSION

The Department of Aboriginal Affairs and Intergovernmental Relations is responsible for negotiating, implementing and monitoring land, resources and self-government agreements, including Treaty Land Entitlements; managing the GNWT's relationship with the federal government and with provincial, territorial and Aboriginal governments and circumpolar countries, in all matters of intergovernmental significance; and providing government-wide strategic advice on matters pertaining to federal-provincial-territorial-Aboriginal relations.

GOALS

1. The conclusion of land, resources and self-government agreements in a manner that respects the inherent right of self-government and ensures an overall effective, affordable and workable system of governance, capable of providing an adequate and comparable level of quality programs and services to all NWT residents.
2. The successful ongoing implementation and monitoring of land, resources and self-government agreements by ensuring all GNWT obligations within the agreements are met.
3. Constructive and co-operative intergovernmental relations with federal, provincial, territorial, Aboriginal and foreign governments that are based on mutual respect.

OPERATING ENVIRONMENT

In June 2012, the GNWT tabled *"Respect, Recognition, Responsibility: The Government of the Northwest Territories' Approach to Engaging with Aboriginal Governments"* in the Legislative Assembly. This document represents the GNWT's formal commitment to a set of principles and key actions aimed at strengthening and renewing relationships with its Aboriginal government partners. The Department of Aboriginal Affairs and Intergovernmental Relations (DAAIR) has been assigned the primary responsibility for the government-wide coordination of *'Respect, Recognition, Responsibility'* and will be working closely with all GNWT departments to ensure the consistent application of its principles.

The GNWT recognizes that it has a legal obligation to consult with Aboriginal governments and organizations whenever it is considering an action that might adversely affect Aboriginal or Treaty rights. Prior to a February 2012 decision from the Federal Court, the GNWT would typically initiate consultations with Aboriginal groups that could be impacted by the negotiation of land, resources and self-government agreements after an Agreement-in-Principle was approved. However, the February 2012 Court decision clarified that the duty to consult is triggered earlier in the negotiating process and can be expected to be a prominent component of

Aboriginal rights negotiations. This new approach to consultation will increase the responsibilities and work of the department who must lead these consultations on behalf of the GNWT.

The complexity of negotiations continues to increase in the southern parts of the NWT. The overlapping interests of the Akaitcho Dene First Nations and the Northwest Territory Métis Nation have resulted in the Akaitcho Dene initiating legal action against Canada and the Métis Locals in Hay River and Fort Smith. The collective interests of the Dehcho First Nations, and in particular the Kátł'odeeche First Nation and West Point First Nations, are expected to add to the challenges of negotiations in the area.

Recently the Pehdzeh Ki First Nation (Wrigley) has stated that they wish to pursue their own community-based comprehensive land claim negotiation. This, along with the Acho Dene Koe First Nation's community-based process and the potential for Kátł'odeeche First Nation to have their own process, further increases the overlap between negotiations and adds new challenges to finding regional solutions to resource management and self-government in the Dehcho.

Negotiating and implementing intergovernmental program and service delivery arrangements with existing and emerging Aboriginal self-governments is expected to become increasingly prominent in the coming years. Limits on the resources and capacity of Aboriginal self-governments is expected to highlight the needs and advantages for Aboriginal self-governments and the GNWT to work together to ensure that programs and services continue to be effectively delivered for all residents of the NWT. Formalizing these relationships in intergovernmental program and service delivery arrangements is expected to be challenging since the GNWT has a central role in self-government program and service areas and the dual responsibility of responding to Aboriginal self-government needs while maintaining its ability to deliver programs and services to NWT residents who are not constituents of an Aboriginal self-government.

KEY ACTIVITY 1 – CORPORATE MANAGEMENT

Description

The **Directorate** manages the internal operations of the department and provides strategic advice and support to the Minister. The division administers the grants and contributions program available to Aboriginal governments and organizations.

The **Policy, Planning, and Communications Division** provides policy advice, information and assistance to the department, and coordinates the department's financial, human resources and business planning activities, as well as administers all records management. The division leads the development and review of negotiating mandates that guide GNWT negotiating teams at all land, resources and self-government negotiations. The division is also responsible for the department's legislative initiatives, communications projects and strategies.

Other Initiatives

DAAIR will continue to implement the action plan set out in its Human Resources Plan to ensure that the department builds upon its strengths and addresses key human resources issues that could have a negative impact on its workforce. Building on its succession planning practices, DAAIR will establish an Assistant Deputy Minister position in the department.

As milestones at certain land, resources and self-government negotiations approach, DAAIR will continue to conduct mandate compliance reviews on draft agreements. The department will also continue to undertake work to bring forward proposals for new and revised negotiating mandates to address emerging issues at land, resources and self-government negotiations in the NWT.

The division will continue to work with the Department of Justice to ensure that, consistent with evolving jurisprudence in the area of Aboriginal consultation, the GNWT meets all of its consultation obligations stemming from the negotiation of land, resources and self-government agreements in the NWT. This will likely include an obligation to provide financial support to certain Aboriginal groups to enable them to participate in the consultation process in a meaningful way.

In 2012-13, DAAIR undertook a review of the current funding level provided to Métis Locals through its *Core Funding to Métis Locals* program. The outcome of this review determined that the existing program can sustain increasing the annual core funding to Métis Locals by approximately 50% through a reallocation of the under subscribed funding that has historically existed in the program each year. This increase to funding will be implemented for 2012-13 and beyond.

DAAIR will continue to support the Minister's participation in the Aboriginal Affairs Working Group (comprised of provincial/territorial Ministers of Aboriginal Affairs and the five Leaders of National Aboriginal Organizations) to advance the work of improving the socio-economic conditions for First Nation, Inuit and Métis across Canada.

KEY ACTIVITY 2 – NEGOTIATING LAND, RESOURCES AND SELF-GOVERNMENT AGREEMENTS

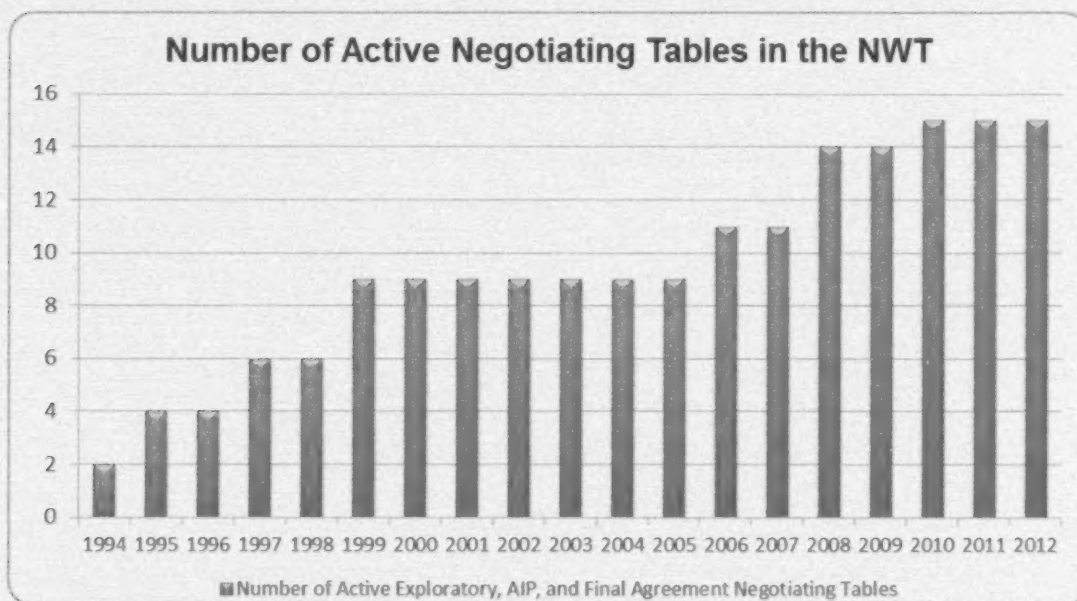
Description

The **Negotiations Division** is responsible for leading the GNWT's participation at land, resources and self-government negotiations in the NWT. Successfully concluding land, resources and self-government agreements throughout the NWT will lay the foundation for attaining political certainty, building mutually respectful intergovernmental relations and realizing the economic potential of the NWT.

Performance Measures

Measure 1

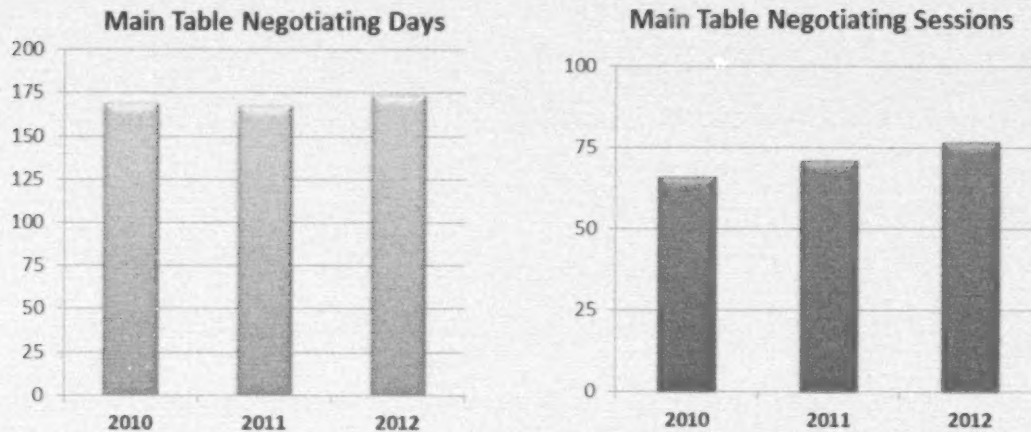
Number of Active Negotiations



Across Canada, Aboriginal rights negotiations take, on average, approximately 20 years to complete. Negotiations in the NWT reflect this trend. Regional land and resources negotiations, fulfilling commitments to negotiate community-based self-government agreements, and increased interest from non-resident Aboriginal groups to settle their Aboriginal and treaty rights in the NWT have increased DAAIR's workload over the last several years.

Measure 2

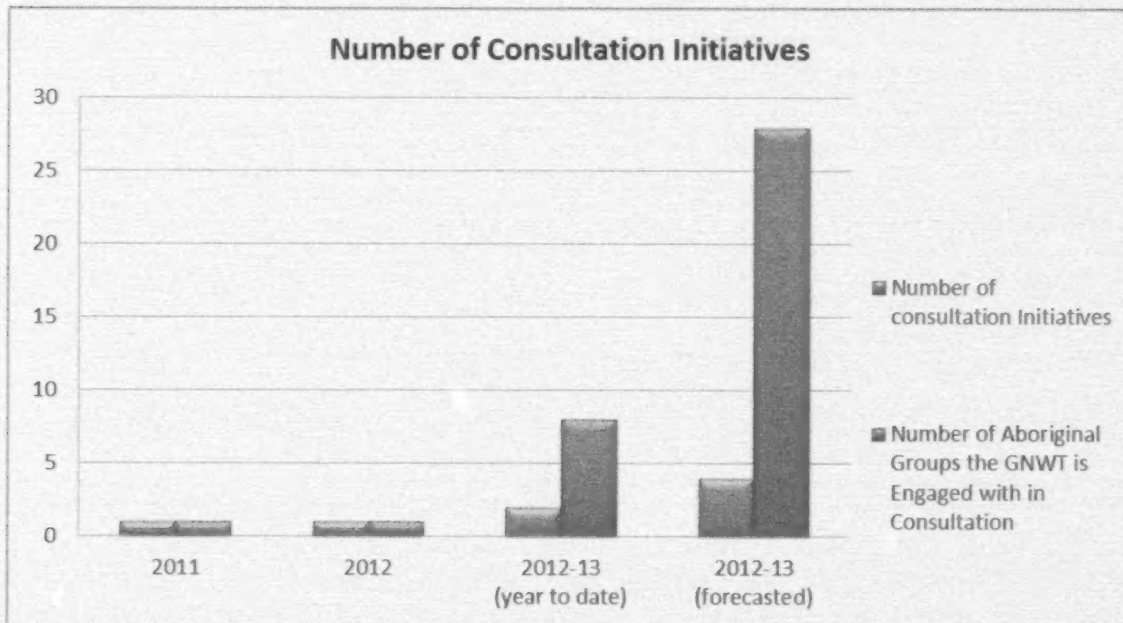
Number of Negotiating Sessions Attended



With the increase in the number of negotiating tables from 9 in 2005 to 15 today, there has been a corresponding increase in the overall volume of activity for the department. As milestones are approached at some tables, activity levels at those tables have also increased significantly. Negotiations at other tables continue to occur and, while progress has been made at some tables, others require further time and effort on the part of all parties.

Measure 3

Number of Consultation Initiatives Engaged In



In 2011, the department was engaged in consultations with one Aboriginal group regarding the draft Délı̨nę Final Self-Government Agreement. Given the recent Federal Court decision that clarified that the duty to consult is triggered earlier in the negotiating process, the department can expect to see a dramatic increase in its work to discharge the GNWT's legal duty to consult. This is particularly important given the milestones anticipated at several sets of land, resources and self-government negotiations.

Measure 4

Milestones Reached in Negotiating Agreements

Negotiators have completed an advanced draft of a Self-government Framework Agreement with the Behdzi Ahda First Nation of Colville Lake.

Other Initiatives

DAAIR will continue to represent the GNWT at 15 land, resources and self-government negotiations in the NWT. While the progress of each table is dependent on the collaborative efforts of all parties to negotiations, the department will continue to make progress at the following negotiating tables:

- *Exploratory Negotiations / Discussions in Advance of a Framework Agreement*
 - Colville Lake Self-Government Negotiations
 - Fort Good Hope Self-Government Negotiations
 - First Nation of Nacho Nyak Dun Transboundary Negotiations
 - Kátl'odeeche First Nation Community-Based Negotiations
- *Negotiations Leading to the Conclusion of an Agreement-in-Principle*
 - Inuvialuit Self-Government Negotiations
 - Gwich'in Self-Government Negotiations
 - Tulita Self-Government Negotiations
 - Norman Wells Land Corporation Self-Government Negotiations
 - Dehcho First Nations Land, Resources and Self-Government Negotiations
 - Acho Dene Koe First Nation Phase I Land, Resources and Self-Government Negotiations
 - Akaitcho Dene First Nations Land, Resources and Self-Government Negotiations
 - Northwest Territory Métis Nation Land, Resources and Self-Government Negotiations
 - Manitoba Denesuline Transboundary Negotiations
 - Athabasca Denesuline Transboundary Negotiations
- *Negotiations Leading to the Conclusion of a Final Agreement*
 - Délı̨nę Self-Government Negotiations

DAAIR is also responsible for discharging the GNWT's duty to consult Aboriginal groups whose asserted or established Aboriginal or treaty rights may be adversely impacted by the negotiation of land, resources and self-government agreements. Recent court decisions and the extensive overlapping interests in the southern NWT will result in a dramatic increase in the Negotiation division's work to discharge the GNWT's legal duty to consult.

KEY ACTIVITY 3 – IMPLEMENTING AND MONITORING LAND, RESOURCES AND SELF-GOVERNMENT AGREEMENTS

Description

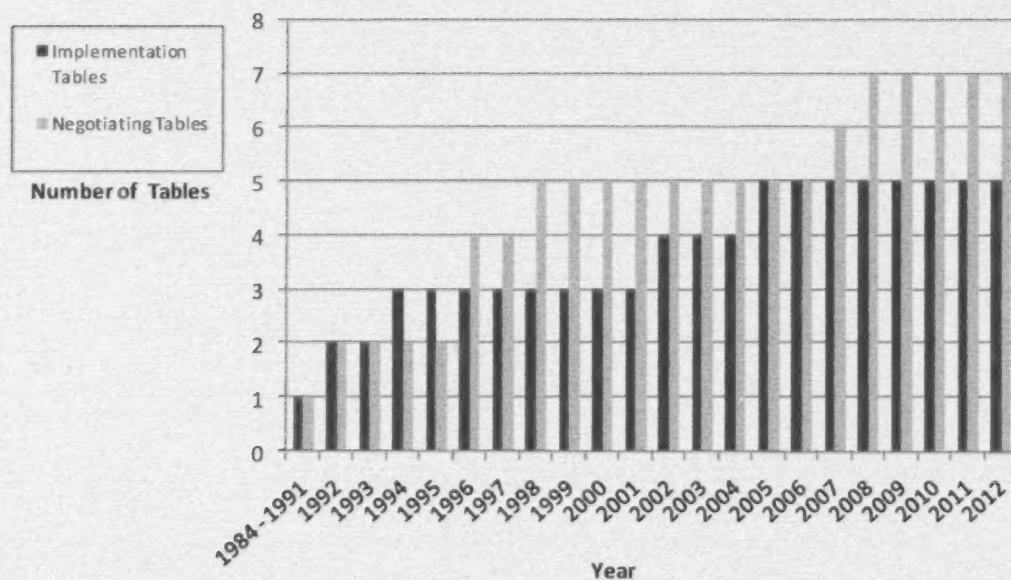
The **Implementation Division** is responsible for negotiating implementation plans, financing agreements and joint program and service delivery arrangements associated with land, resources and self-government agreements. The division is also responsible for monitoring and facilitating ongoing GNWT implementation obligations and activities pursuant to settled land, resources and self-government agreements, and representing the GNWT on trilateral Implementation Committees tasked with monitoring and coordinating the overall implementation of the agreements.

Performance Measures

Measure 1

Number of Negotiation and Implementation Tables Participated In

Participation in Negotiation and Implementation of Land, Resources and Self-government Agreements



Measure 2

Milestones reached in negotiating implementation plans and fiscal agreements

As part of the trilateral Déljné Joint Fiscal and Implementation Working Group, DAAIR participated in the ongoing negotiation of a consolidated financing agreement for the Déljné Got'jné Government. The agreement replaces separate financial transfer and own source revenue agreements, which were previously being negotiated. A single financing agreement will streamline future fiscal relations between the parties. DAAIR also participated in the ongoing negotiation of the Pre-effective Date and Implementation Plans that will accompany the final self-government agreement.

Measure 3

Number of GNWT-related issues brought before Implementation Committees for resolution

Status reports and implementation committee minutes illustrate that there are currently no outstanding GNWT issues under any land, resources and self-government agreements.

Other Initiatives

In 2013-14, DAAIR will continue to represent the GNWT at trilateral negotiations for the renewal of 10-year Gwich'in and Sahtu Implementation Plans and related bilateral funding agreements with Canada. DAAIR will also lead GNWT participation at trilateral negotiations for a new 10-year Inuvialuit implementation funding agreement.

Based on current projected timelines for negotiating land, resources and self-government agreements, DAAIR will represent the GNWT in the negotiation of fiscal agreements and implementation plans associated with an Inuvialuit self-government agreement and the Acho Dene Koe First Nation land, resources and self-government agreement. Following ratification of the Déljné Final Self-Government Agreement, DAAIR will coordinate the completion of GNWT pre-effective date activities and obligations, as well as the GNWT's participation in tripartite obligations that must be undertaken prior to the effective date of the agreement.

Where specific initiatives in relation to joint program and service delivery arrangements are being considered as an approach to capacity building and implementation, DAAIR will work collaboratively with social envelope departments, GNWT agencies, Aboriginal governments and Canada to identify arrangements that meet the interests of all parties to an agreement.

KEY ACTIVITY 4 – MANAGING THE GNWT'S INTERGOVERNMENTAL RELATIONS

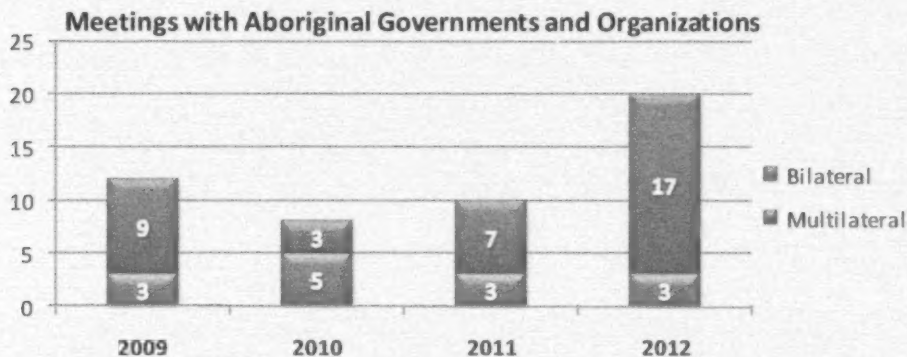
Description

The **Intergovernmental Relations Division** promotes and advances the GNWT's commitment to develop and maintain mutually respectful intergovernmental relations between the GNWT and federal, provincial, territorial, Aboriginal and international governments. In doing so, the division protects, develops and promotes the interests and aspirations of NWT residents in the GNWT's intergovernmental relations activities.

Performance Measures

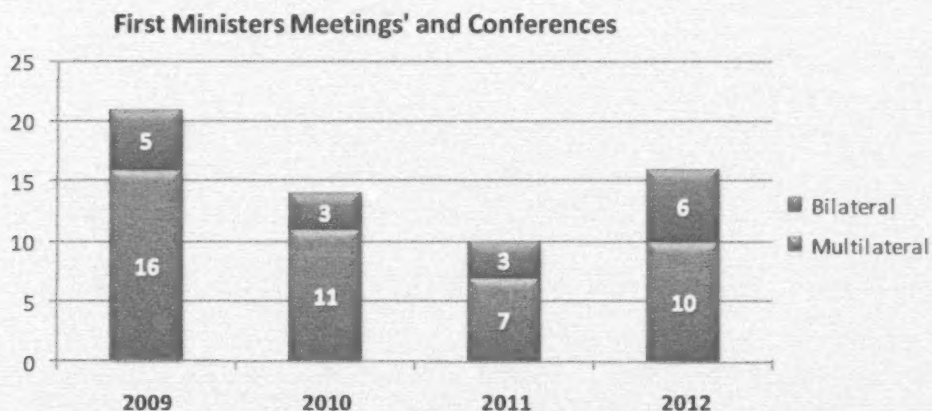
Measure 1

Number of Multilateral and Bilateral Meetings with NWT Aboriginal Governments



Measure 2

Number of Other Bilateral and Multilateral Intergovernmental Meetings/Conferences Supported



Other Initiatives

DAAIR will continue to support the participation of the Premier in major intergovernmental meetings such as First Ministers' Meetings, the Council of the Federation meetings, the Western Premiers' Conference and the Northern Premiers' Forum so as to advance GNWT and pan-territorial priorities and objectives. In doing this DAAIR will continue to raise awareness of Northern issues at the regional, national and international level in these and other fora.

DAAIR will continue to work with all GNWT departments to ensure the proper implementation of the '*Respect, Recognition, Responsibility*' initiative. These efforts will assist the GNWT and Aboriginal governments to be better positioned to advance their respective and shared priorities and serve the interests of all NWT residents.

DAAIR will continue to prepare and provide assistance with the Premier's and Cabinet's engagement with Aboriginal governments in bilateral and multilateral government-to-government meetings that focus on regional issues and how NWT governments can work together. DAAIR will also support the Premier's and Cabinet's attendance at Annual General Assemblies (AGAs) by coordinating the development of GNWT key messages, coordinating briefing material on issues expected to be discussed and through the distribution of resolutions arising from AGAs to relevant departments for appropriate and timely follow-up.

The GNWT's Federal Engagement activities will include the participation in the Northern Lights trade show and conference in Ottawa in early 2014. This participation will be coordinated by DAAIR and will continue to strengthen the GNWT's presence in Ottawa, raise awareness and understanding of the NWT's investment potential and the territory's contributions to Canada in general.

May of 2013 will mark the beginning of the Canadian chairmanship of the Arctic Council. The GNWT will be working with its pan-territorial partners to advance identified common interests including increasing the visibility of the territories at the Arctic Council. DAAIR will continue to work with our partners in the Permanent Participant organizations, territorial governments and the federal government to ensure the GNWT is in a position to effectively communicate its key interests in the delivery of Canada's Arctic Council agenda and the international dimension of its *Northern Strategy*.

2. RESPONDING TO PRIORITIES

BUILD A STRONG AND SUSTAINABLE FUTURE FOR OUR TERRITORY

Description

DAAIR's core business directly supports the 17th Legislative Assembly's priority of Building a Strong and Sustainable Future for Our Territory and the department will continue to work hard at strengthening relationships with Aboriginal and other northern governments.

Major Program and Service Initiatives Planned for 2013-14

- The GNWT is committed to advancing the priorities of the 17th Legislative Assembly in partnership with the federal government. To assist in this, DAAIR will lead continued efforts to ensure these priorities are advanced in a coordinated and strategic fashion with key federal counterparts in conjunction with departments. These priorities include: devolution, a streamlined regulatory environment, responsible stewardship, and developing a sustainable approach to northern housing needs.
- DAAIR is coordinating the efforts to raise the territory's profile in the nation's capital and will continue to assist in strengthening the GNWT's relationships with the Prime Minister and key federal Ministers. Efforts for 2013-14 will be primarily focussed on raising the territory's profile and further strengthening relations with key federal and national counterparts. To do this, the territory will participate in the Northern Lights trade show.
- DAAIR will continue to coordinate and implement the GNWT's approach to engagement with Aboriginal governments throughout the year, based on 'Respect, Recognition, Responsibility'. DAAIR will also continue to work with departments to encourage the consistent application of the principles outlined in 'Respect, Recognition, Responsibility' Employee Guide.
- DAAIR will continue to support the Premier's and Cabinet's government-to-government meetings. Since the start of the 17th Legislative Assembly, there have been more than 30 government-to-government meetings between the GNWT and Aboriginal governments across the territory.
- DAAIR will continue to make progress in finalizing land, resources and self-government agreements that are workable, affordable and respectful of Aboriginal rights. This will require:
 - Working with the federal government to achieve consistent and complementary approaches to governance in the NWT.
 - Continue to lobby the federal government to provide adequate funding to Aboriginal governments to fully and meaningfully implement their self-government agreements.
 - Developing and revising negotiating mandates to address emerging issues.

- Continue the ongoing implementation of land, resources and self-government agreements by ensuring that all GNWT obligations within the agreements are met.
- To continue strengthening mutually respectful relationships with Aboriginal governments and organizations, DAAIR will work to ensure that the GNWT meets all of its consultation obligations stemming from the GNWT's participation in land, resources and self-government negotiations in the NWT. DAAIR commits to undertake these consultations in good faith and in a manner in keeping with the honour of the Crown, consistent with the GNWT's public commitment to consultation.
- DAAIR will work closely with the Devolution office, federal officials, and with Aboriginal governments who have completed land, resources and self-government agreements, to ensure that the provisions of the Devolution Agreement-in-Principle which address federal government activities under existing implementation plans are fulfilled in a manner that respects the obligations set out in the agreements.

STRENGTHEN AND DIVERSIFY OUR ECONOMY

Description

DAAIR's core business supports the 17th Legislative Assembly's priority to Strengthen and Diversify Our Economy through the contributions that settled Aboriginal rights agreements make to the stability and predictability of the territorial business environment and through its efforts to implement the GNWT's Federal Engagement activities.

Major Program and Service Initiatives Planned for 2013-14

- DAAIR will continue to make progress in finalizing land, resources and self-government agreements that are workable, affordable and respectful of Aboriginal rights. These agreements will help create certainty with regard to land ownership and resource management in the NWT.
- The GNWT's priority of strengthening and diversifying the economy of the Northwest Territories is consistent with the federal government's goals for the North and for Canada in general. DAAIR will continue to assist the GNWT's coordinated federal engagement efforts, in order to streamline these with federal priorities which are designed to build the economy.
- DAAIR will continue to assist lead GNWT departments in their strategic advancement of the following GNWT federal priorities: the Mackenzie Valley Highway, the Mackenzie Gas Project, Mackenzie-Fibre-Link, and exploration of the territory's hydro potential.

3. RESOURCE SUMMARY

DEPARTMENTAL SUMMARY

	(thousands of dollars)			
	Proposed 2013-14 Main Estimates	2012-13 Revised Estimates	2012-13 Main Estimates	2011-12 Actuals
Operations Expense				
Corporate Management	2,727	2,456	2,456	2,511
Negotiations	2,376	2,442	2,442	2,177
Implementation	682	696	696	631
Intergovernmental Relations	1,504	1,710	1,710	2,076
Total Operations Expense	7,289	7,304	7,304	7,395
Revenues	-	-	-	133

HUMAN RESOURCE SUMMARY

	Proposed 2013-14	2012-13	2011-12	2010-11
Total Number of Employees	39	39	40	40

Appendix I – Financial Information

Operations Expense Summary

	2012-13 Main Estimates	PROPOSED ADJUSTMENTS					2013-14 Business Plans
		FG Collective Bargaining NA	Forced Growth	New Initiatives	Sunsets and Other Approved Adjustments	Internal Reallocation of Resources	
Corporate Management							
Directorate	1,237	0	0	0	(15)	396	1,618
Policy, Planning and Communications	1,219	0	0	0	0	(110)	1,109
Total Corporate Mgmt.	2,456	0	0	0	(15)	286	2,727
Negotiations	2,442	0	0	0	0	(66)	2,376
Total Negotiations	2,442	0	0	0	0	(66)	2,376
Implementation	696	0	0	0	0	(14)	682
Total Implementation	696	0	0	0	0	(14)	682
Intergovernmental Relations	1,710	0	0	0	0	(206)	1,504
Total Intergov. Relations	1,710	0	0	0	0	(206)	1,504
TOTAL DEPARTMENT	7,304	0	0	0	(15)	0	7,289

Explanation of Proposed Adjustments to Operations Expense

Activity / Task	Explanation of Proposed Adjustment	FG Collective Bargaining NA	Forced Growth	New Initiatives	Sunsets and Other Approved Adjustments	Internal Reallocation of Resources
Corporate Management						
Directorate	Establishment of an Assistant Deputy Minister position (salary and benefits)	0	0	0	0	230
Directorate	Consolidation of divisional training and development budgets to be managed corporately	0	0	0	0	98
Directorate	Increased departmental employee benefit / corporate costs	0	0	0	0	68
Directorate	Sunset of Amortization – Leasehold Improvements	0	0	0	(15)	0
		0	0	0	(15)	396
Policy, Planning and Comm.	Internal reallocation of resources to support operational requirements	0	0	0	0	(90)
Policy, Planning and Comm.	Consolidate training and development budget	0	0	0	0	(20)
		0	0	0	0	(110)
	Total Corporate Management	0	0	0	(15)	286
Negotiations						
Negotiations	Internal reallocation of resources to support operational requirements	0	0	0	0	(16)
Negotiations	Consolidate training and development budget	0	0	0	0	(50)
	Total Negotiations	0	0	0	0	(66)
Implementation						
Implementation	Consolidate training and development budget	0	0	0	0	(14)
	Total Implementation	0	0	0	0	(14)
Intergovernmental Relations						
Intergovernmental Relations	Return of temporary resources allocated to plan and host NWT Days in Ottawa during 2012-13	0	0	0	0	(115)
Intergovernmental Relations	Internal reallocation of resources to support operational requirements	0	0	0	0	(76)
Intergovernmental Relations	Consolidate training and development budget	0	0	0	0	(15)
	Total Intergovernmental Relations	0	0	0	0	(206)
TOTAL PROPOSED ADJUSTMENTS						
		0	0	0	(15)	0

Major Revenue Changes: 2012-13 Main Estimates to 2013-14 Business Plan

Revenue Item	(thousands of dollars)	
	2012-13 Main Estimates	2013-14 Business Plans

The department does not have any revenue budgets

Proposed Adjustments to Grants and Contributions: 2012-13 Main Estimates to 2013-14 Business Plan

		(thousands of dollars)					
Key Activity	Explanation of Proposed Adjustment	2012-13 Main Estimates	Forced Growth	New Initiatives	Sunsets and Other Approved Adjustments	Internal Re-allocation	2013-14 Business Plan
Corporate Management							
Core Funding to Métis Locals	No Change (annual core funding to each Métis Local increased from within existing program budget)	225	-	-	-	-	225
Special Events Funding to Aboriginal Organizations	No Change	75	-	-	-	-	75
Total for Corporate Management		300	0	0	0	0	300
Intergovernmental Relations							
Aboriginal Intergovernmental Initiatives Fund	No Change	350	-	-	-	-	350
Total for Intergovernmental Relations		350	0	0	0	0	350
TOTAL PROPOSED ADJUSTMENTS		650	0	0	0	0	650

Appendix II – Human Resources Reconciliation

Position Changes: 2012-13 Main Estimates to 2013-14 Business Plan

	Number of Positions	Location	Total
2012-2013 Main Estimates	39	Headquarters	39
Reductions:	-	-	-
Forced Growth:	-	-	-
Internal Reallocation:			
Senior Negotiator	(1)	Headquarters	(1)
New Positions:			
Assistant Deputy Minister	1	Headquarters	1
Total Proposed Positions 2013-14 Business Plan	39	Headquarters	39
Increase (Decrease)			-

Appendix III – Infrastructure Investments

The department does not anticipate any infrastructure investments in 2013-14.